



Sustainable financial mechanism Draft (ECE/CP.TEIA/2012/6)

ITEM 11. FINANCING



Long-term strategy

The Conference of the Parties:

Will establish and continuously improve a mechanism through which financial and in-kind support is obtained from Parties & other stakeholders, e.g. EC, industry and others. Mechanism will differentiate between funding for core activities and assistance activities

Invites UNECE to make available additional regular budget P-4 post; pending its establishment, post will be financed through extrabudgetary resources



Sustainable financial mechanism

To meet needs for:

- **Higher number of Parties and for other stakeholders to provide regular financial and/or in-kind support**
- **Increase in human resources in secretariat to allow, among others, for implementation of long-term strategy and address increasing demands for activities**



Essentials elements

Principles:

- **Solidarity**
- **Equity, fairness**
- **Ownership**

**Voluntary guide for Parties that do not otherwise contribute
with cash or in-kind contributions**



Extrabudgetary resources for the implementation of the Convention

- **Organization of workplan activities aimed at strengthening implementation of Convention**
- **Needs-driven assistance to beneficiary countries under Assistance Programme**
- **Participation of experts from countries with economies in transition in workplan activities**
- **Strengthening capacity of secretariat through extrabudgetary staff**



Objectives

- **Establish basis for preparing predictable biennial workplans with defined resource requirements**
- **Introduce a fair way for sharing responsibility among all Parties to provide resources for implementation of workplans**
- **Encourage all Parties and other stakeholders to support implementation of workplans**
- **Encourage those Parties that have previously made significant contributions to continue providing extrabudgetary resources, when possible at a substantial level, for implementation of workplan activities**



Contributions ...

- Financial or in-kind contribution
- All Parties encouraged to provide resources
- All Parties invited to consider **contributions that reflect their economic strength, or higher**
- Other stakeholders encouraged to provide contributions also
- Those Parties that have previously made significant contributions invited to continue providing substantial contributions
- Financial contributions, unless earmarked, will be used in accordance with priorities assigned to workplan areas and activities



... call for contributions from Parties in year when Conference of Parties

Parties receive

- **draft biennial workplan with resource requirements**
- **a letter inviting them to provide contributions**

Those Parties that have previously made significant contributions will be invited to **maintain that level**

Other Parties will be requested to provide **contributions reflecting their economic strength**



... call for contributions from Parties in other years

Parties receive a letter referring to adopted workplan, reporting on trust fund status, drawing attention to any shortfall in funding, and inviting to provide contributions

Letters to those Parties that have **not pledged or contributed financially or in-kind will suggest a specific amount be contributed, which will be calculated using agreed budget and **scale of assessments for the apportionment of the expenses of the United Nations**, adjusted to those States that are Parties to Convention**



... seeking contributions by other stakeholders

Can be an important part of funding, particularly Assistance Programme

Exchange information on mutual needs / interests, reciprocal benefits

Aim to conclude **long-term partnerships** with co-funding schemes for joint activities

Chair or Vice-Chair should explore possibilities for funding of activities and other forms of cooperation, e.g. joint activities, with stakeholders

Parties encouraged to assist in above, particularly where Parties are able to influence decision-making by such stakeholders

ECE member countries can play crucial role in ensuring contributions, especially coming from EC's dedicated funds, according to rules on application eligibility